

EXHIBIT D
O&G Drilling Vendor Program Summary

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O&G DRILLING VENDOR PROGRAM SUMMARY

1. Participants. Each holder of a Claim that accepts the Plan may elect on its Ballot, in lieu of the treatment provided under the Plan for such holder's Claims under the Class(es) in which they are classified, to participate in and undertake the obligations required to participate in the O&G Drilling Vendor Program that is described herein (the "Program"). For purposes of this Exhibit, the Claim holders that elect on their Ballots to participate in the Program are referred to herein as the "Participants."

2. Trade Credit Re: New Wells. The Participants in the Program agree to provide, on credit, the goods and/or services necessary to drill and extract gas from one or more wells located on real estate that is subject to a mineral lease in which the Debtor holds a working interest ("New Wells"). The terms and conditions of the Program will be memorialized in a "Master Program Agreement." The New Wells in the Program will be located in the following locations, as well as up to 5 additional locations to be identified:

Well Name	County	Field	Sec	Twp	Rng	Well Type	Debtor's Percentage Working Interest
Wright 3-6H	McIntosh	Lakeview	6	9N	15E	Single leg HZ	100%
Molly 3-9H	McIntosh	Lakeview	9	9N	15E	Single leg HZ	100%
Shroyer 2-30HM	McIntosh	Lakeview	30	10N	16E	Single leg HZ	100%
Mary 4-35HM	McIntosh	Lakeview	35	9N	15E	Single leg HZ	100%
Wiedel 4-32HM	McIntosh	Lakeview	32	9N	15E	Single leg HZ	99.53125%

3. Financed Amount. Subject to the terms and conditions of the Program, each Participant will enter into a contract specifying the particular goods and/or services to be provided by such Participant in respect of the New Wells, and the cost of such goods and/or services. The cost of such goods and services shall substantially conform to the indicative budget attached hereto. Participants shall finance (in each instance, the "Financed Amount"): (i) the portion of such cost that is attributable to Mahalo's percentage working interest in the subject mineral leases and (ii) the portion of such cost that is attributable to any other working interest holder that declines to participate in the well..

4. Non-Recourse Obligation. The Financed Amounts and all other Program Obligations (defined below) shall be non-recourse to Reorganized Mahalo, its equity holders, or any other entity. The Financed Amounts and related Program Obligations shall be payable exclusively from Reorganized Mahalo's share, as working interest holder, of the Net Profits (defined below) realized from the New Wells. Net Profits means, with respect to each New Well, the amount by which (a) the revenue generated from the sale of gas extracted from such New Well, exceeds (b) the sum of (i) all royalties, overriding royalties, production payments and other burdens on or out of production of such New Well in effect as of the effective date of the

Plan, (ii) all costs of operating and maintaining the New Well, (iii) all costs of producing, processing, gathering, transporting and marketing gas from the New Well, and (iv) all taxes applicable to such well production and the sale thereof.

5. Interest and Risk Premium. The Financed Amount for each Participant shall accrue simple interest at 5.5% until paid in full ("Deferred Interest"). Each participant also shall be entitled to receive a risk premium equal to 20% of the Financed Amount (the "Risk Premium"), and reimbursement of reasonable out of pocket legal costs and expenses relating to the Program of no more than \$5,000 each ("Reimbursement Amount"). Net Profits will be applied in the following order of priority: (1) to satisfy outstanding Financed Amounts, (2) to satisfy Deferred Interest, (3) to satisfy the Risk Premium, and (4) to satisfy the Reimbursement Amounts (collectively, "Program Obligations").

6. Security. The Program Obligations owing to each Participant shall be secured by the working interests of Reorganized Mahalo in each particular New Well financed by such Participant. The Participants financing goods and services in respect of a particular New Well shall share a lien, on a *pari passu* basis, on Reorganized Mahalo's working interest in such well to secure repayment of the Program Obligations related to such well ("Vendor Lien"). The Financed Amount provided by a Participant shall be cross-collateralized by all of the New Wells financed by such Participant. A Participant, however, shall not hold a lien against any New Well as to which it did not provide financed goods or services.

Each Vendor Lien granted hereunder shall be senior to (i) the liens securing the Prepetition Credit Facility, (ii) the liens securing the Claims of Ableco and (iii) the liens securing the Exit Facility.

7. Sale, Encumbrance, Operation of Wells. Until and unless the Participants with respect to a New Well have been fully paid the Program Obligations with respect to such well, the well may not be sold or further encumbered with the consent of the applicable Participants and Reorganized Mahalo. Reorganized Mahalo shall have the exclusive right to operate the New Wells, but shall not be required to operate any New Well that it determines in its discretion is not economically feasible to operate.

8. Non-Financed Amounts. The share of the drilling costs in respect of a New Well that are attributable to a working interest held by a party *other* than Reorganized Mahalo that agrees to participate in the New Well (a "Third Party Interest Holder") shall not be included in the Financed Amount. Such amounts are referred to herein as "Non-Financed Amounts." Participants will reserve the right to file liens against the working interests of the Third Party Interest Holders with respect to such Non-Financed Amounts. The Risk Premium shall not apply to any Non-Financed Amounts.

9. Mineral Leases. The proceeds of the New Wells shall be used to meet all current obligations under mineral leases that are subject to the Program.

10. Effectiveness of the Program. The effectiveness of the Program shall be conditioned on sufficient participation by O&G Drilling Vendors that is acceptable to Reorganized Mahalo.

Indicative Budget for Typical Hartshorne CBM Well as of 08.21.09			
	Per Day Rate	No. of Days	Total Expense
Services Required:			
Rig operator/drilling contractor	\$ 12,000	10	\$ 120,000
Directional drilling services	\$ 15,000	4	\$ 60,000
Drill pipe/casing			\$ 68,625
Service rig contractor	\$ 5,000	4	\$ 20,000
Well-site geologists	\$ 900	7	\$ 6,300
Well-site consultants/safety, etc.	\$ 700	10	\$ 7,000
Downhole tool rental; drill bits			\$ 10,000
Well-site construction			\$ 25,000
Rig moves			\$ 20,000
Drilling fluids			\$ 7,500
Wellhead			\$ 10,000
Cementing			\$ 15,000
Fuel			\$ 13,000
Rentals (general)			\$ 10,000
Surveying			\$ 1,000
Water Hauling/Drilling Water			\$ 10,000
Connection cost			\$ 80,000
Pumping unit			\$ 45,000
Other (contract labor, etc.)			\$ 15,000
Total Drilling Cost:			\$ 543,425